



**City of Seattle**  
Office of the Mayor

## News

For Immediate Release  
April 15, 2013

Contact: Aaron Pickus, Mayor's Office  
Tel: (206) 233-2650

**Mayor announces agreement with ArenaCo for KeyArena  
investments, operations**  
*Agreement ensures KeyArena will be ready for 2013-14 NBA season,  
increases revenue to City*

SEATTLE –Mayor Mike McGinn is submitting to the City Council agreements reached with ArenaCo that will govern investments to KeyArena in preparation for NBA basketball and facility operations. The agreements contain a guaranteed rent to be paid by ArenaCo and guarantee that all current city employees at Key Arena will retain their jobs, including the structure of their respective unions, salaries and benefits. If approved by the Council, ArenaCo will assume operations of KeyArena at the beginning of July 2013 through the duration of NBA basketball being played at the facility.

“This agreement increases revenue to the City from KeyArena, realizes a great private investment in a Seattle landmark and will add to the vibrancy of the Seattle Center by helping bring the Sonics home,” said Mayor Mike McGinn. “I thank my staff and Council staff for their work to help ensure a strong and united City voice in these negotiations. And I thank Chris Hansen and his team for their commitment to crafting a fair deal that contains public benefits and protects existing jobs.”

“I am excited the Sonics may be coming home and am looking forward to the increased revenue, jobs, investment and vibrancy that they will bring to Seattle Center and our surrounding neighborhoods during their stay here,” said Seattle Center Director Robert Nellams.

### **Guaranteed increase in revenue to City General Fund**

2012 was the best year in recent history for the KeyArena, with the City realizing \$640,000 in revenue after expenses from the facility. The agreement with ArenaCo will guarantee the City at least \$2 million in use fees annually. The City may also receive additional use fees from ArenaCo resulting from strong ticket sales. An additional \$750,000 would be paid to the City annually if a National Hockey League team is brought to KeyArena.

### **Private capital investments in KeyArena**

ArenaCo is committing to make capital investments in KeyArena. A minimum of \$3 million of these capital investments will remain at the end of ArenaCo's tenancy at the Key. Potential

investments include seating upgrades, modifications for television broadcast infrastructure, technical upgrades to security systems and audio/visual equipment, renovation of locker facilities and club facilities, miscellaneous service upgrades for the concourse areas such as new flat screen televisions and kitchen equipment, and suite upgrades.

### **Support for existing jobs and union contracts**

City employees who perform work at the Key will continue to do so and will remain City employees. ArenaCo will reimburse the City for these costs. ArenaCo will fully cooperate with the City to ensure that all collective bargaining and other obligations are fulfilled. ArenaCo may assign non-City employees to perform work and functions at KeyArena that are not currently being performed by City employees.

*All Mayor's Office press conferences, town halls and general public meetings are archived by [Seattle Channel](#). Many town halls and press conferences are also [broadcast live to the web](#). Sign up for The Reader, our office newsletter, at our [website](#). And learn more about your neighbors and the mayor's activities on our [blog](#).*



[@MayorMcGinn](#)



[Mayor Mike McGinn](#)

# # #